

David Bernhardt Keynote Speech to  
Association of California Water  
Agencies (ACWA) 2018 Spring  
Conference & Exhibition

Good afternoon and thank you Steve for the kind introduction.

It is my honor to serve in the Trump Administration as the Deputy Secretary of the Department of the Interior. From my perspective, our job at the

Department of the Interior is pretty straightforward. We were appointed to execute the vision the president campaigned upon consistent with our legal responsibilities. The successes of this administration over the past year have proven that with enough courage and commitment, we can achieve great things for the American people.

I serve as Secretary Zinke's second in command within the Department of the

Interior. For those of you who have not met Ryan Zinke, here is what you would see if you met him:

- He is a dynamic leader;
- He is committed to implementing President Trump's vision;
- He is unwavering in his willingness to lean forward when making decisions;

- He is an excellent listener who hears all viewpoints before making a decision, but demands that a decision is carried out expeditiously once it is made;
- And he fundamentally believes in doing everything possible to foster America's prosperity and excellence.

Bottom line, both the President and the Secretary are great to work for!

The commitments by the President during his campaign to make policy from the bottom up with an eye toward states, small local communities, and the private sector was one of the prime reasons I was willing to help with the presidential transition planning, and ultimately, after meeting and spending time with Ryan Zinke deciding that I would leave my law practice and return to public service.

From the very beginning of his campaign, President Trump made it clear that he wanted to re-prioritize and revitalize rural communities. His view is that these communities have frequently been ignored or neglected in recent years. Many of those kinds of communities reside here in California. The farmers of the Central Valley and throughout the state produce a very large portion of America's food supply, but face many challenges because they rely upon federal

water like the Central Valley Project and all of the complex regulatory challenges that come with it. I believe that Interior should be working WITH those farmers rather than against them. The same is true of municipal water users who likewise rely on federal water for local homes, schools, and businesses. The federal government should be a cooperative partner to those cities, rather than an obstacle.

In hindsight, from my perspective, 2017 went very well at the Department of the Interior. Going into the year, our priority was to take what the President had committed to do in the campaign and ensure that we are implementing his agenda. We were fortunate to have clear direction in his speeches as a candidate, which allowed us to have a fairly focused regulatory agenda. More important, we had a Secretary who was comfortable with making decisions. Early on,

Secretary Zinke recognized that it would take time to assemble his team and he hired strong Deputy Assistant Secretaries and did not allow the agenda to suffer as he waited for the FBI and the Senate to Act.

Fortunately for all of you, the office of the Assistant Secretary of Water and Science is now the first at Interior to have all of its Senate-confirmed positions filled. Assistant Secretary Tim Petty,

Bureau of Reclamation Commissioner Brenda Burman, and recently-confirmed U.S. Geological Survey Director James Reilly - a former NASA astronaut - make an excellent team. All of them are highly experienced in the water issues facing California and the West, and we are fortunate to have them in the administration!

In addition, recognizing that the President would be issuing a series of

executive orders, we developed a strategy that we would follow each relevant executive order with a directive in the form of a Secretarial order to more expeditiously drive the activities of the Department's bureaus.

This approach is best reflected in the progress we have made in our regulatory reform agenda.

Part of the President's vision includes removing the unnecessary burden placed on those communities from Washington, DC.

The President promised to empower the private sector, states, cities, and tribes by reducing or eliminating unnecessary or burdensome regulations that hinder the economic growth of our communities, while still maintaining necessary

protections for the environment and public health.

The President began fulfilling that promise by signing executive orders that focused on regulatory reform.

One established the principle that regulatory burdens on the American people should be accounted for and limited by calling for the elimination of

two existing regulations for every new rule.

This slide demonstrates some of the highlights of our regulatory initiatives in year one.

Beyond changing our regulations, we are also reforming our business practices. For example, we are working to streamline the permitting process for federal agencies.

Too often, projects are delayed for months, years, or even decades by a seemingly endless series of applications, reports, and reviews.

We believe in upholding vital protections for public health and the environment, but we also believe we can do so while still allowing projects to be reviewed, decided on, and permitted in a more expeditious and efficient manner.

In September 2017, I signed an order to reduce the amount of paperwork and time consumed by permit reviews required under the National Environmental Policy Act. The order sets a goal that most Environmental Impact Statements to be 150 pages or less, limits reports for unusually complex projects to 300 pages, and sets a goal of completing reviews in one year. A few weeks ago, I issued additional guidance to Interior's bureaus

about how to implement that order and streamline their processes.

It is my hope that by setting reasonable timelines and encouraging the creation of more readable documents, we will facilitate making the permitting process more predictable, and more efficient, while allowing us to make fully informed decisions. This will allow us to get important projects built, put more people

to work, and energize the economies of communities nationwide.

Interior is often criticized from its application of the Endangered Species Act. The implementation of the ESA is clearly Interior's biggest regulatory program, and few would disagree that there is not room to improve the implementation of the act to conserve species with less unneeded conflict.

To that end, we are well along in developing regulations to improve the implementation of key sections of the ESA. Those rules focus on Sections 4, 4(d) and 7 of the ESA. We have submitted the rules for comment from other federal agencies, have reviewed those comments, and will be publishing the draft regulations later this summer.

We are also committed to making Interior's people and resources more

accessible and functional for the people and communities that need them. Since being sworn into office, Secretary Zinke has pursued a vision to reorganize the Department to make it more efficient and more focused on serving the people in the field rather than those at headquarters in Washington, DC.

To that end, we are well on our way of developing a system that would align Interior's organizational structure into

common regions. By moving more decision making to the field, pushing more resources out, and creating common regional alignments, we believe we will better serve the American people. The Secretary's initial vision was science based, and he took a lot of input from our SES Corps in a two day retreat. We took their input and feedback from the states to adjust the draft regional boundaries. The slide you see now is the current draft. You will notice that the regional

boundaries are more aligned with state borders, which was something they asked for.

That sums up a lot of the Department-level priorities at Interior, but now I'd like to discuss some water-specific priorities we will be focusing on.

California and many other areas of the West have seen historic droughts in

recent years, and we must enhance our water storage capabilities to take advantage of wetter years by building up reserves that can help maintain water supply in dry years.

We got lucky in having a very wet year last year after several drought years. That extra rain allowed Interior to provide 100% allocations from the CVP for ag contractors north of the Delta, and 40% for those south of the Delta. But we can't

keep hoping to be lucky with rainy years. We need to make our own luck, and that starts with building more water storage.

One of the ways Interior is working to increase water storage is through the expanded storage construction funding Congress appropriated in Sections 4007 of the 2016 WIIN Act. That section allow the Secretary of the Interior to enter into cost sharing partnerships with states to expand federal and state-owned

storage facilities, and appropriated \$350 million in funding to do so. This a good start, but it is still just a start, and there is plenty more work to do on water storage.

Another prime opportunity to improve water storage is at Shasta Dam and Reservoir. I want to lay out a few brief thoughts on Shasta and discuss why Interior is pursuing the effort to raise it. First, we are pursuing the project because Congress appropriated \$20 million in the

recent omnibus appropriations bill for us to do so. Modernizing and improving our infrastructure is one of Secretary Zinke's top priorities, and Shasta is a prime opportunity to do that.

Raising Shasta will help people and communities better withstand drought years. As California's population continues to grow, so too will its demand for water, and unless we increase our storage capabilities at places like Shasta,

we will see an increasingly strained water system throughout the state that will struggle to meet that demand. Raising Shasta by 18.5 feet will provide an additional 600,000 acre-feet of storage.

Expanding Shasta Dam and Lake will also protect anadromous fish in the Sacramento River, including several Salmon species that are listed under the federal and/or California Endangered Species Acts. Water stored at Shasta is

often released as “cold” water to help reduce the average temperature in the downstream parts of the river. Keeping the temperature at the appropriate levels is important to the survival of these species, while also benefiting fisheries and sportsmen.

All of these factors were among those considered by Interior during its 2015 feasibility study on raising Shasta. The study weighed a variety of alternatives

but at the end of the day concluded that elevating the dam by 18.5 feet would be the most cost effective solution, would provide necessary storage capability, benefit anadromous fish while increasing flood protection, improving Delta water quality, and ensure more recreational opportunities.

Title transfer can also be an effective tool in implementing President Trump and Secretary Zinke's priority of empowering

local communities and the private sector. Interior has expressed our support of legislation that would establish a title transfer program under the Bureau of Reclamation, and would also allow the Secretary to administratively transfer title if the project is operationally and financially sound, and has local community support. Title transfer is not a one-size-fits-all, and should only be used when it is appropriate, and the program we support would ensure that. But doing

so for the right projects can allow our customers to have more control over their future, and provide new options for financing projects' operations and maintenance or rehabilitation. That last point is particularly relevant given Interior's multi-billion dollar maintenance backlog. Many customers are already overseeing and managing their projects anyway, and are doing a great job, but title transfer, where appropriate, can help them to continue

their work for benefit of everyone who depends on their projects.

Overall, Interior is going to continue pressing forward on implementing the President's agenda and the Secretary's priorities. We will build on the successes we have had thus far, and keep pressing forward full speed ahead to provide more wins for the American people. I hope that your members will continue to partner with us as we work toward achieving our

goals of efficiency, prosperity, and security.

